Alan F. Ciamporcero Executive Director

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September 12, 1994

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FEDERAL COMMUNICATIONS COMMISSION OFFICE OF SECRETARY

William F. Caton Acting Secretary Federal Communications Commission Mail Stop 1170 1919 M Street, N.W., Room 222 Washington, D.C. 20554

Alan F. Grampmeno

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Dear Mr. Caton:

Re: PP Docket No. 93-253 - Implementation of Section 309(j) of the Communications Act, Competitive Bidding

On behalf of Pacific Bell Mobile Services, please find enclosed an original and six copies of its "Comments" in the above proceeding.

Please stamp and return the provided copy to confirm your receipt. Please contact me should you have any questions or require additional information concerning this matter.

Sincerely,

Enclosures

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Before the FEDERAL COMMUNICATIONS COMMISSION RECEIVED Washington, D.C.

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FEDERAL COMMUNICATIONS COMMISSION OFFICE OF SECRETARY

In the Matter of

Implementation of Section 309(i) of the Communications Act -Competitive Bidding

PP Docket No. 93-253

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COMMENTS OF PACIFIC BELL MOBILE SERVICES

Pacific Bell Mobile Services hereby comments on the Further Notice of Proposed Rulemaking ("FNPRM") in the abovecaptioned proceeding. In this FNPRM the Commission seeks comments on whether to adopt post-auction broadband partitioning for the benefit of businesses owned by minorities and/or women.1

The Commission has already decided that partitioning will be permitted to allow rural telephone companies to provide PCS in a portion of a BTA or MTA. This can be accomplished

In the Matter of Implementation of Section 309(j) of the Communications Act - Competitive Bidding, PP Docket No. 93-253, Further Notice of Proposed Rulemaking, released August 2, 1994, para. 4 ("FNPRM")

In the Matter of Implementation of Section 309(j) of the Communications Act - Competitive Bidding, PP Docket No. 93-253, Fifth Report and Order, released July 15, 1994, paras. 150-152. ("Fifth Report and Order").

either through participation in a bidding consortium with partitioning of the licenses among the participants or acquisition of a portion of a service area from other licenses through private negotiation.³

The Commission's rationale is that rural telephone companies are uniquely positioned to use their existing infrastructure to provide broadband PCS in rural areas. In addition, many rural telcos were concerned about having to provide service over an entire MTA or BTA.

The first rationale does not exist for minority and women owned businesses since few such entities have an existing infrastructure on which to build. However, the concern about having the necessary resources to cover an MTA or BTA is as applicable to a minority and/or women owned business as it is to rural telcos. Therefore, it is in the public interest to allow partitioning of broadband licenses for the benefit of businesses owned by minorities and/or women.

Fifth Report and Order, para. 151.

⁴ <u>Id.</u> at para. 150.

^{5 &}lt;u>Id.</u>

Partitioning will permit these entities to focus on a particular geographic area of interest and will increase the likelihood that they will be able to meet the build-out requirements in an area more limited in scope than a BTA or MTA.

The partitioning should be permitted in the same way it is permitted for rural telcos. In other words, businesses owned by women and/or minorities should be able to bid as a consortium and then partition the licenses acquired or acquire a partitioned license through private negotiation with another broadband PCS licensee.

The Commission also requests comment on whether the Commission should restrict the transfer or assignment of partitioned licenses for some period of time. Partitioned licenses should be subject to the same transfer restrictions that exist for designated entities. Otherwise, designated entities may seek to partition their licenses simply to avoid the transfer restrictions.

For the foregoing reasons, Pacific Bell Mobile

Services supports geographic partitioning of licenses for the benefit of businesses owned by women and/or minorities provided

NPRM, para. 5.

⁷ 47 CFR §24.839(d)(1) and (2).

the same transfer restrictions that apply to designated entities as a whole also apply to entities holding partitioned licenses.

Respectfully submitted,

PACIFIC BELL MOBILE SERVICES

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Date: September 12, 1994